

access to prevention and treatment services. As Secretary Thompson said:

This will be an equal partnership—a sharing of technical know-how and experiences.

As part of this partnership, Secretary Thompson has pledged greater in-country collaboration with officials from the Centers for Disease Control and Prevention, and the Health Resources and Services Administration. These efforts will complement recently announced initiatives by the U.S. Agency for International Development to provide almost \$162 million in new funding over the next 5 years to help countries in the Americas and worldwide expand HIV/AIDS prevention, patient care, and HIV/AIDS mitigation programs. This is in addition to the \$20 million the United States is currently providing in HIV/AIDS funding to Latin America and the Caribbean under the Bush administration's Third Border Initiative. These are all important steps in the right direction toward developing an integrated approach to combat this devastating disease.

I urge my colleagues to share my support for these initiatives and to work with me to secure greater U.S. contributions for these international efforts in the future—through the Global Fund to Fight AIDS, as well as other bilateral assistance programs.

To borrow Secretary Colin Powell's words:

Our response to this crisis must be no less comprehensive, and no less relentless, than the AIDS pandemic itself.

Mr. President, this is something that we need to work harder on in the United States, in Africa, in the Caribbean, and throughout the world—wherever people suffer from AIDS. I thank the Chair, and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CARPER). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### ANDEAN TRADE PREFERENCE ACT—MOTION TO PROCEED—Continued

Mr. DORGAN. Mr. President, I want to speak about fast-track trade authority, which is now known by the euphemism "trade promotion authority."

Before I do that, I want to talk for a moment about what is happening with respect to trade with Cuba. Since we are on the subject of trade, there is something happening with Cuba about which I believe I must alert the Senate.

As you know, a wide majority in both the U.S. Senate and the House has agreed that we should not use food as a weapon and that the 40-year embargo with Cuba—at least with respect to food and medicine—should be loosened. So by a vote of the House and of the Senate, we are now able to sell food to Cuba.

Yet under current law, the Cubans are not allowed to purchase food from

the United States on credit. They cannot borrow from a private lender. They must pay cash. Following the hurricane in Cuba, Cuba is buying American grain and agricultural products to the tune of \$70 million, but they have to pay cash and run the transaction through a French bank in order to buy commodities from American farmers. This is just bizarre.

The head of a group called Alimport, which is the organization in Cuba that purchases food for the Cuban Government, was invited to this country by farm leaders. His name is Pedro Alvarez. He was intending to come here—including to my State of North Dakota—and asked for a visa to do that. He was intending to purchase additional food from our country—and to pay cash. A visa was granted, but then the State Department abruptly reversed course and decided to revoke the visa. The State Department said: No, we don't want somebody from Cuba coming in to buy food or commodities from American farmers. When we called the State Department to ask them why they decided to revoke the visa to have the head of Cuban imports come into this country, they said: It is not our policy to encourage the sale of food to Cuba.

Now, I find it just byzantine that our State Department would say: No, we don't want the head of the Cuban agency that purchases agricultural commodities to come to our country to purchase those commodities and, therefore, we will revoke his visa.

When will those who take that position wake up and understand that using food as a weapon is merely shooting ourselves in the foot?

I have now written a letter to Pedro Alvarez in Alimport and said: I am inviting you to this country; a U.S. Senator is inviting you to this country. I would like you to come to America; I would like you to come to North Dakota; come to North Dakota and buy wheat from our wheat farmers and buy dried beans from those who plant dried beans.

I wrote a letter to the State Department saying: You have a responsibility to give these people visas to come here.

I do not know what on Earth the State Department is thinking. I have talked to someone at the State Department who indicated that the matter is being reviewed. I said: Can you tell me who decided to revoke the visas? Who decided that farmers in America should be the victims of this foreign policy nonsense? Who was it? Who made the phone calls? I want to know who said that this is political, this isn't trade policy, and the politics persuade us we ought to revoke visas from someone from Cuba who wants to come to this country and buy wheat, dried beans, apples, and other commodities from the United States.

I just do not understand why we have people in this country who still think that way. We ought never use food and medicine as a weapon. We have done it for 40 years with respect to Cuba. We can sell food to China. That is a Communist country. We can sell food to

Vietnam. That is a Communist country. But for 40 years we have said no, you cannot sell food to Cuba.

We loosened that restriction. Cubans can now buy our food, and now we have the spectacle of the State Department deciding to revoke visas they already approved for people from Cuba who want to come to this country and buy from American farmers. That is unfair to our farmers. It is another embargo.

Cuba bought \$1 billion worth of food last year. The Europeans are selling food to them, and the Canadians are selling food to them. We have sold them some now, but judging by the behavior of the State Department, it appears they do not want us to sell food to Cuba, despite the fact the Congress has already made the judgment that such sales should be lawful.

I intend tomorrow to press this case once again at the State Department, and I hope they will change their mind and make a rational decision, one that is in concert with what the Congress has already decided, both the House and the Senate.

Let me turn to the trade issue of fast track for a few moments. I see some colleagues in the Chamber who wish to speak. I will not speak as long as I had intended. They will want the opportunity to have a portion of this time as well.

Let me quickly put up a chart showing an excerpt from "Inside U.S. Trade," a publication on international trade. It quotes U.S. Trade Representative Zoellick speaking to a business group in Chicago. Mr. Zoellick described lawmakers and lobbyists who oppose a trade promotion authority bill sponsored by House Ways and Means Committee Chairman BILL THOMAS as "xenophobes and isolationists."

The Trade Ambassador says those who oppose fast track are xenophobes and isolationists. This really fits the way this thoughtless debate always plays out on trade. Instead of it being a thoughtful debate about what America's real trade policy ought to be to benefit this country, it turns quickly into a thoughtless debate by those who say there are only two sides: Those who support free trade, globalization, expanded trade, and have a world view that will allow them to see well over the horizon and understand the world much better than others, and those who are just xenophobic, isolationist stooges. That is how this debate is characterized: Those who think and those who do not.

There is an old saying: You ought not ever buy anything from somebody who is out of breath. There is a kind of breathless quality to this debate about fast track: It just has to be fast track; if it is not fast track, we cannot pursue international trade agreements.

That, of course, is total nonsense. We did not give Bill Clinton fast track

when he was President. I did not support giving him fast-track trade authority when he was President, and I do not support giving George W. Bush fast-track authority either.

Yet in the Clinton Presidency they did negotiate trade agreements. How did they do that? They do not need fast track to negotiate trade agreements. Fast track is simply a mechanism by which the Congress says: Wait a minute, before you negotiate in secret the next trade agreement, let us handcuff our arms behind our back; please let us do that; then you negotiate in secret; and when you come back, we wear handcuffs so we will not be able to offer even one amendment to this trade agreement you have negotiated in secret. That is what fast track is.

There are a good many Members of Congress who sign up. I do not know, there is some kind of masochistic urge in trade, I guess, to say: Let's do this, let's tie our hands, and then allow someone else to negotiate in secret.

Here is what the Constitution says about the Congress. Article I, section 8, says:

The Congress shall have Power . . . To regulate Commerce with foreign Nations. . . .

It does not say the President. It does not say the U.S. Trade Ambassador. It does not say some unnamed trade negotiators. The Constitution says:

The Congress shall have Power—  
The word is "power."

The Congress shall have Power . . . To regulate Commerce with foreign Nations. . . .

In recent decades—three decades, in fact—we have had Presidents negotiate just five trade agreements under fast track: GATT, United States-Israel, United States-Canada, NAFTA, and the WTO.

I want to show a chart showing the effects of one of these agreements. We gave fast-track trade authority to negotiate a trade agreement with Canada and Mexico. Prior to that, we had a small trade surplus with Mexico. Of course, after this agreement was done, it turned into a huge deficit. Prior to that, we had a modest deficit with Canada. After a trade agreement was negotiated with Canada, the deficit exploded. We turned a trade relation with Mexico that was a positive relationship into a negative relationship, and with Canada we had an explosion of the deficit.

I thought it would be interesting to take a look at a chart that showed what happened to our trade deficits through all of these trade agreements. Every time we have another agreement, the trade deficit goes up, up, and way up.

One might ask: What is the difference? The difference is this line means jobs in this country, good jobs, manufacturing jobs, and this line suggests an erosion of the manufacturing sector in this country.

Under fast-track trade authority, which Congress has given to some Presidents, the major export has been jobs. The Economic Policy Institute

suggests somewhere over 3 million jobs have been lost comparing prior to NAFTA and WTO and after NAFTA and WTO.

Some say: This is just a global economy, and let's just move goods everywhere, and whatever happens happens. They ignore the fact that in this country, we have had people fight in the streets, we have had people killed in the streets for the right to form unions. We had people take to the streets to demand fair and safe workplaces. We had people marching in the streets in this country dealing with child labor laws. For 75 and 100 years, we have confronted all of these tough issues in the United States, and we have created an environment in which an employee has to have a safe workplace, be paid a decent wage, a business cannot hire kids, cannot dump pollutants into the stream and the air, and employees have a right to organize as a labor union.

Economists always remind us of the importance of comparative advantage in determining what country gets to produce what products. But should child labor be a comparative advantage in trade? The legal minimum age for child workers in Peru is 12 years old.

When someone takes the product of a 12-year-old, who works 12 hours a day and is paid 12 cents an hour, and ships it to Pittsburgh or Los Angeles or Denver or Fargo, and puts it on the store shelf, is that fair trade? Is that what we want American workers to compete with?

There are 3 million workers in Brazil under the age of 15. Fair competition? Or how about people making shoes for 24 cents an hour in Indonesia? Fair competition?

People say, well, America has to become competitive. Competitive with what? With 12-year-old kids making 12 cents an hour or 24 cents an hour? Is that the marketplace in which we describe fair trade competition?

Before we pass fast track, I would like to see a little bit of progress by our trade officials to solve a few problems they have created recently. I am not asking for the Moon. I am saying before they run off and, under fast track, negotiate new trade agreements, how about doing something that stands up for this country's economic interests? How about solving a few problems that have been created in past trade agreements?

I will talk first about Canadian wheat because that is a huge problem for my state of North Dakota. We had a trade agreement with Canada. We allowed Canada to sell its wheat through a sanctioned monopoly called the Canadian Wheat Board, which would be illegal in this country. It then sends an avalanche of unfairly subsidized Canadian grain into this country, taking money right out of the pockets of our farmers. It goes on year after year in a relentless way and no one stops it. Why? Because the remedies to stop unfair trade have been emasculated in our trade agreements.

We were promised with the U.S.-Canada free trade agreement that this would not happen, but it did. It not only happened and an avalanche of unfairly traded Canadian grain came down injuring our farmers, but when we got to the bottom of it, we found out that our trade ambassador entered into a secret side agreement with Canada, and our negotiators refused to tell the truth about it even in a committee hearing in the U.S. House of Representatives when asked directly about it.

This is what has happened with Canadian wheat exports in the United States and U.S. wheat exports to Canada: a pail versus a thimble, but that pail represents serious damage to U.S. farmers.

There are some other trade problems. I have spoken at great length about beef in Europe. We have not been able to get most U.S. beef into Europe for 10 years because they say we use beef hormones. They portray our cows as having two heads over in Europe.

We took Europe to the WTO, the World Trade Organization. We took our case to the WTO and we won. The WTO said, yes, Europe is wrong so you can go ahead and exact some penalties with respect to Europe.

Do you want to know what we did? We were upset that Europe would not allow our beef in. We went to the WTO. The WTO said, yes, Europe is guilty. So the United States says, all right, what we are going to do is we are going to retaliate. We retaliated against European shipments to the United States of goose liver, truffles, and Roquefort cheese. Now that is enough to scare the devil out of an opponent; is it not? A trading partner like Europe, we say they better watch it; we are going to slap them with goose liver, truffles, and Roquefort cheese? What kind of remedy is that? When Europe was upset about the recent steel decision, they said, we are going to respond with tariffs on U.S. steel, textiles, and citrus products.

How about Korean automobiles? Maybe we could ask our trade ambassador to fix that. I have gotten several letters from Korea recently because I have been talking about their automobile industry. Last year there were 618,000 Korean automobiles shipped into the United States, Daewoos and Hyundais, into our marketplace. That is fine with me, but do you know how many U.S. automobiles were shipped into Korea? We were able to sell 2,800 U.S. cars in Korea. For every 217 Korean cars sold in the U.S. marketplace, we were able to sell one in the country of Korea. Why? Because Korea does not want U.S. cars in the marketplace. It is very simple.

Is there somebody who will stand up and say this is unfair trade? Because, after all, this represents a loss of good manufacturing jobs in our country, when there is that kind of trade imbalance.

Is there someone who will fix that problem? The beef problem with Europe? The grain problem with Canada?

Or how about wheat flour to Europe? Or eggs? Let me use eggs as an example. We cannot get American eggs in the European marketplace. Do you know why? Because American eggs are washed. They will not allow washed American eggs into the European marketplace. So we do not have a market for American eggs. Pork chops to China, T-bone steaks to Tokyo—I will speak tomorrow at much greater length about a range of these issues.

I ask this question: Mr. President and Mr. Trade Ambassador and others, you are so anxious to go negotiate a new trade agreement. How about solving a few of the trade problems that have been created?

Brazil sends sugar to Canada. It is loaded on molasses, liquid molasses, and sent into the United States. Molasses becomes the carrier for sugar that could otherwise not enter under U.S. law. They ship it down into Michigan, offload the sugar, send the molasses back to get another load of Brazilian sugar to Canada, fundamentally undercutting our sugar program. In my judgment, it is an abrogation of fair trade. It has been going on for years. Yet you cannot get anybody to do anything about it.

In the legislation that is going to come up on trade adjustment assistance, I believe that the molasses problem is being addressed by some concerned members of the Senate. But the point is that we have chronic trade issues and that administrations do not do enough about these problems.

We have an enforcement division down in the Commerce Department. We have some enforcement in USTR. I have not seen the statistics lately, but do you know how many people we have dealing with China and Japan? We have eight people enforcing trade agreements with Japan, a country with which we have a \$60 billion to \$70 billion trade deficit, and they cannot even tell us what the agreements are that we have with Japan, let alone tell us whether they are enforcing them.

This country does not do right by its producers, farmers, manufacturers, and others in the area of international trade. So we are now requested by this administration to give them fast-track authority so they can negotiate another agreement somewhere in the world. I say that we ought not give fast-track authority. I would not support it for President Clinton. I do not support it for this President.

I think it is time for us to stand up for this country's economic interest. No, not build a wall, not keep goods out of our country. This is not about isolationism. This is about standing up for this country's manufacturing sector and its workers, saying that we will compete any time, anywhere, as long as the conditions of competition are fair, but we demand fair trade.

One final point: I started by talking about Cuba. The revocation of the visas that I described is about politics. It is not about trade policy. It is about pointy-headed foreign policy.

For the first 25 years after the Second World War, our trade was almost all foreign policy. We could compete anywhere in the world with one hand tied behind our back. We were the biggest, the best, and the strongest. In the second 25 years, things have gotten tougher. Our competitors are shrewd, tough, international competitors, and it is time that our foreign policy stop being the dominant force in trade policy. It is time our country stand up for its own economic interests and demand fair trade. We ought to do that before we embark on any notion about fast-track authority for any President. That is in the best interest of this country, in my judgment.

I see my colleague from Iowa is in the Chamber. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, President Clinton used to brag—and I think correctly—during the years he was President that some 20 million jobs were created during his Presidency. Those are statistics that speak for themselves.

In regard to this debate before the Senate, President Clinton said about one-third of the jobs were created because of international trade. Quite obviously, the last Democrat President talked about the importance of trade. Jobs are created by trade. Those are jobs that pay very good wages—13 to 18 percent higher than the national average. It is estimated 1 in 10 Americans, 12 million people, are employed in jobs related to goods and services.

The important issue of trade promotion authority is before the Senate. It has worked, as has already been correctly stated. Presidents since President Ford have periodically have had trade promotion authority. It has led to trade agreements passed by Congress. They are now the law of the land.

When it was pointed out—correctly—that Congress has the power to regulate interstate and foreign commerce, that is very true. But remember that Congress does not have the ability to negotiate with other countries—particularly 144 countries in the World Trade Organization—in a way that could be considered an expeditious way of reaching an agreement.

We form a sort of contract with the President of the United States. This is not just for Republicans and Republican Presidents. Republicans in this body tried to form such a contract with President Clinton in the last administration, but his own party would not let him have this authority. Trade promotion authority is a type of contract between the Congress and the President of the United States in which the President, in very precise ways, is given the authority by Congress to agree, on the part of Congress, with goals that will be pursued at the negotiating table.

This legislation will help achieve those goals. It establishes a format for

Congress to be consulted by the President of the United States in every step of that process. Congress reviews the agreement that the President brings it back. We have the last say. If we do not pass it, it does not become law, and there is no agreement, no matter how much the President negotiated with 143 other countries to bring that agreement back to Congress.

We in Congress do not see trade promotion authority as Congress giving away all its power over international trade to the President of the United States. Not at all. We cannot do that without amending the Constitution. We don't intend to amend the Constitution to do that.

However, trade promotion authority is a type of contract with the President of the United States to negotiate for us because the Congress of the United States, as the legislative arm of our Government, is not capable, with 535 men and women, of negotiating with 144 other countries in the World Trade Organization, or with another 30-some countries in the Western Hemisphere if you are talking about regional FTAA trade negotiations, or even on a bilateral basis negotiating with Chile or with Singapore, which are in process now.

We want our President to be credible at the negotiating table. When the President has Trade Promotion Authority, other countries, negotiating with the United States, know the President is a credible negotiator.

We have been told the United States loses so much when we negotiate. We don't lose anything when the rest of the world's tariffs are way up here and ours are much lower; we cannot go much lower. When we bring foreign tariffs down, even if we bring them just partway down and not down to our low level, it is a win-win situation for the United States.

I quote Harvard economist Jeff Frankel, estimating that the economic benefits of a successfully completed new round of WTO trade negotiations would mean \$7,000 per individual or, as we measure in this country, the unit of the family, about \$28,000 for a family of four. This estimate was even backed up by Chairman of the Federal Reserve Board, Alan Greenspan. He said before the Senate Finance Committee when he testified last year on the importance of trade promotion authority to the President, that the estimates made by Jeff Frankel, were very credible estimates.

As just one example of the advantage of a trade agreement to the United States, look at Caterpillar, located in several countries around the world, but with its main operation in the United States. The corporate headquarters is in the United States. I have an example of a \$187,000 Caterpillar, model 140H, a motor grader tractor, made in America. If shipped to Chile, it is slapped with \$13,090 in tariffs and duties, or 7 percent of the tractor's cost because we do not have a free trade agreement with Chile.

That same tractor can be made in Brazil by a Caterpillar plant in Brazil and shipped to Chile with only a \$3,740 tariff because Brazil has some trade agreements with Chile. Obviously, not a free trade agreement but some agreements that reduce the tariff from 7 percent on a tractor made in the United States to 2 percent.

If that same tractor is made in Canada, because Canada has a free trade agreement with Chile, there are no tariffs whatsoever on that Caterpillar motor grader tractor made in Canada.

We have to ask ourselves, as Senators for the entire United States, would you not rather have the Caterpillar tractor made in America and shipped to Chile than have it made in Canada or have it made in Brazil and shipped to Chile?

This decision is a no-brainer, Mr. President. We have seen so much advancement in the rural economy since the process of reducing tariffs worldwide. Originally called GATT, now called the World Trade Organization process, WTO for short, that process has been going on since 1947. We ought to be satisfied with what world trade has done for America, that it is good for America, it is good for the world, and that if we are going to be in this business of having America's leadership continue as it is in the war against terrorism, but more based upon our military prowess than anything else, but backed up by economic strength, it seems to me if the President of the United States can have trade promotion authority and continue to be the leader in reduction of world tariff trade barriers and non-tariff trade barriers, as the United States has been between 1947 and 1994 when the authority ran out, we are going to have an additional advantage—an additional tool for world leadership to use in pursuing peace sooner.

The other side of the coin is that if you are going to have an expanding world population—which we all know is underway and is going to be underway for decades to come—you cannot have stagnant world economic growth. More people with less material goods are only going to lead to social instability, political instability, and the opposite of world peace.

An expanding world economic pie can only come through the reduction of trade barriers, and that only comes through this process of global trade liberalization that in the WTO. That is the only way we are going to have an expanding world population with more people having more material goods, more prosperity, and more social stability and political stability as well, and the peace that will come with it.

Even though during these weeks of debate on trade promotion authority we are going to be talking about its economic benefits, and some other people will be talking about the economic harm they see coming from trade promotion authority, from my perspective it is not just an economic issue. It is

also an issue of expanding the world economic pie for social stability, political stability, and eventually world peace.

Mr. President, I support cloture on the motion to proceed on one of the four trade bills that will be before the Senate in the next several weeks. The one before us is the Andean Trade Act. This vote is far more than a vote on cloture on the motion to proceed on the Andean bill. In the next few days, starting with and moving beyond this vote, we may finally take up other trade bills: trade promotion authority, trade adjustment assistance, the Generalized System of Preferences, or GSP, and trade adjustment assistance.

This vote is in reality a referendum on the future leadership of U.S. trade policy. After months of delay, it is finally a long overdue acknowledgment of the Senate's important constitutional and political responsibility for U.S. trade policy. As such, today is the start of the most important legislative period on the Senate floor for America's trade policy since trade negotiating authority for the President lapsed in April 1994.

It was in 1994 when a critical ingredient of American global leadership in trade policy was lost, trade promotion authority. As a result, in the last 8 years the United States has been severely handicapped in its ability to conduct major trade negotiations. Yes, we recently concluded a free trade agreement with Jordan and we have started Free Trade Area of the Americas negotiations. That is the Western Hemisphere regional free trade zone. We also have bilateral free trade negotiation going on with Singapore and with Chile right now.

We have been involved with three agreements in the last 6 years. The rest of the world has adopted 130 or more preferential trade agreements; 127 of which we were not a party to. That damages America's trade interests.

The European Union has 27 preferential or special customs agreements with other countries and is negotiating 15 more. Our international competitors, then, are clearly not waiting for the United States of America while they negotiate and while we get our act together. We have been, for about 6 years now, maybe 8 years, trying to get our act together.

The lack of trade promotion authority is already affecting our effectiveness at the negotiating table in the Western Hemisphere negotiations called the Free Trade Area of the Americas. I recently commissioned a General Accounting Office study on the status of the Free Trade Area of the Americas negotiations. They found the Western Hemisphere participants believed that the absence of the President's trade promotion authority has thwarted the negotiations to the extent that some countries are not willing to make the necessary concessions to move negotiations forward.

This lack of progress of the Free Trade Area of the Americas has enor-

mous economic consequences for the United States. We currently sell less than 8 percent of our exported goods south of Mexico's southern border—meaning Central and South America.

In terms of competitiveness in exports, we are underperforming in our own hemisphere. A successful conclusion to the Free Trade Area of the Americas talks will help us catch up, but the President needs trade promotion authority to make that happen.

The United States is currently pursuing new World Trade Organization negotiations with 143 other nations in Geneva. These negotiations are, right now, underway. Our negotiators are meeting with their counterparts in Geneva almost as we speak to try to hammer out procedures for addressing the major issues in these important negotiations, issues such as market access for America's farmers and ranchers for all of our agricultural products. They are all on the table, but without trade promotion authority, our negotiators have one hand tied behind their backs. That is something that before this debate is over I hope I can convince the Senator from North Dakota of—who spoke previous to me—that it is very important not to negotiate from a position of disadvantage.

Right now, without trade promotion authority, do not have credibility at the negotiating table. We need credibility to set the agenda and to influence the scope and timing of these talks.

Without trade promotion authority, our foreign competitors will have the upper hand. They will determine the scope and the timing of the World Trade Organization negotiations to their advantage—obviously not to the advantage of the United States.

Last Friday the Agriculture Coalition for Trade Promotion Authority, which represents more than 80 food and agricultural groups, sent a letter to congressional leaders. It was signed by 29 university agricultural economists. I will read from a portion of that letter:

... There is an important political dimension in all trade negotiations, and without trade promotion authority, the ability of the United States negotiators to press for agreements on our terms and our agenda will be fatally weakened. ... Trade Promotion Authority is an indispensable tool that U.S. trade officials need now to keep U.S. agriculture on the path of prosperity and long-term economic growth.

The individuals who signed that letter are some of the most distinguished agricultural economists in our country. I am sure some of my colleagues would recognize their names. I hope we hear their message very clearly. I am suggesting it is wrong not to act on their advice.

I ask unanimous consent that entire letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

**TPA COALITION COMMENDS LETTER TO CONGRESSIONAL LEADERS FROM PROMINENT AGRICULTURAL ECONOMISTS**

The Agricultural Coalition for Trade Promotion Authority today commended the 29 university agricultural economists who signed a letter in support of TPA that was sent Friday to Congressional leaders. The letter, which will go to every House and Senate member today, points out that without trade, the U.S. farm economy would be in a desperate situation and that without TPA, "the ability of U.S. negotiators to press for agreements on our terms and our agenda will be fatally weakened."

Following is the text of the letter. The Agriculture Coalition for TPA includes more than 80 food and agriculture groups dedicated to the passage of legislation granting the president Trade Promotion Authority. It is co-chaired by the National Pork Producers Council and Farmland Industries.

APRIL 26, 2002.

Hon. THOMAS A. DASCHLE,  
U.S. Senate,  
Washington, DC.

Hon. TRENT LOTT,  
U.S. Senate,  
Washington, DC.

Hon. RICHARD A. GEPHARDT,  
U.S. House of Representatives  
Washington, DC.

Hon. J. DENNIS HASTERT,  
U.S. House of Representatives  
Washington, DC.

Hon. J. DENNIS HASTERT,  
U.S. House of Representatives  
Washington, DC.

DEAR SENATOR DASCHLE, SENATOR LOTT, REPRESENTATIVE GEPHARDT, AND MR. SPEAKER: We, the undersigned agricultural economists from the nation's agricultural colleges, universities and research institutions, strongly support trade negotiations to advance U.S. agriculture's interests in the global market.

Despite the frustrations some in the farm community voice today about recent trade agreements, U.S. agriculture would be substantially worse off had it not been for those arrangements. The fall in exports resulting from the Asian financial crisis and the unusual string of years of strong global crop production would have been worse without the access opportunities in Mexico and many other markets that NAFTA and the Uruguay Round provided.

Clearly, there remain important tariff and subsidy inequities that impede U.S. exports. Global food and agriculture tariffs average 62 percent, while U.S. food and agriculture tariffs average only 12 percent. But the only practical way to deal with these problems is through the multilateral, regional, and bilateral trade negotiations the Administration has undertaken, and for which it must have Trade promotion authority (TPA). While the regional and bilateral trade initiatives currently under negotiation are important, the most promising trade initiative for U.S. food and agriculture producers is the ongoing multilateral World Trade Organization (WTO) negotiations.

To put the importance of trade and the need for negotiations in perspective, it is worth pointing out that the value of U.S. agricultural exports—now around \$54 billion—frequently tracks or exceeds the level of net farm income each year. Without exports, farm and ranch income would plummet.

The domestic U.S. market is, of course, the principal destination for most of our farm output. However, the U.S. population is only about 4 percent of the world's total. Increased access to the other 96 percent, which can only be accomplished through trade negotiations, would offer U.S. producers another—and potentially enormous—outlet for our high quality production.

As economists, we tend to view issues in terms of numbers: the data that show that a

substantial portion of our production is exported, the strong recent growth in exports of job-creating high value and processed agricultural products, and the contribution exports make to the overall farm economy. However, we also recognize that there is an important political dimension in all trade negotiations, and that without TPA the ability of U.S. negotiators to press for agreements on our terms and our agenda will be fatally weakened. Indeed, there is a deadline of March 2003 in the ongoing WTO agriculture negotiations for establishing the framework of the final agreement—which is referred to by our trade negotiators as establishing the "modalities." If the U.S. is to provide effective leadership in establishing these modalities, our negotiating partners must know that U.S. leadership is based on and supported by authority from Congress. In short, TPA is an indispensable tool that U.S. trade officials need now to keep U.S. agriculture on the path of prosperity and long-term economic growth.

Sincerely,

Dermot Hayes, Ph.D., Professor of Economics, Iowa State University; Colin A. Carter, Ph.D., Professor, Agricultural Marketing, International Trade, UC Davis College of Agricultural and Environmental Sciences; Mechel S. Paggi, Ph.D., Director, Center for Agricultural Business, California State University, Fresno; Daniel A. Summer, Director, Agricultural Issues Center, University of California, Davis; Frank H. Buck, Jr., Professor, Department of Agricultural and Resource Economics, University of California, Davis; Michael Reed, Ph.D., Director, Graduate Studies, University of Kentucky; John C. Beghin, Ph.D., Professor of Economics, Iowa State University; Cary W. Herndon, Jr., Professor, Department of Agricultural Economics, Mississippi State University; Julian M. Alston, Professor & Agricultural Economist, University of California; Gary Storey, Agricultural Economics, University of Saskatchewan; Gail L. Cramer, Professor and Head Department of Agricultural Economics and Agribusiness, Louisiana State University; Timothy G. Taylor, Professor and Director, Center for Agribusiness, University of Florida; George C. Davis, Associate Professor, Texas A&M University; P. Lynn Kennedy, Ph.D., Department of Agricultural Economics & Agribusiness, Louisiana State University; Timothy E. Josling, Professor of Food Research, Stanford University; Gary W. Williams, Ph.D., Professor of Agricultural Economics, Texas A&M University; Barry Goodwin, Professor, Agricultural, Environmental & Development Economics, Ohio State University; Chris Barrett, Associate Professor, Applied Economics & Management, Cornell University; Thomas W. Hertel, Professor of Agricultural Economics, Purdue University; David Harvey, Ph.D., Professor of Agricultural Economics, University of Newcastle upon Tyne; Scott R. Pearson, Professor, Food Research Institute, Stanford University; David Abler, Ph.D., Professor and Graduate Officer, Agricultural, Environmental and Regional Economics, Penn State University; Eric Monke, Ph.D., Professor, Agriculture/Resource Economics, University of Arizona; David Blanford, Ph.D., Professor and Head, Department of Agricultural Economics and Rural Sociology, Pennsylvania State University; Maury E. Bredahl, Director, Center for International Trade Studies, University of Missouri-Columbia;

James E. Ross, Ph.D., Courtesy Professor, International Trade and Development Center, University of Florida; Vernon Oley Roningen, Ph.D., Consulting Services and Economic Analysis, VORSIM; Jimmie Hillman, Ph.D., Professor Emeritus, International Agricultural Policy University of Arizona; and Luther G. Tweenen, Faculty Emeritus, Agricultural, Environmental & Development Economics, Ohio State University.

Mr. GRASSLEY. On the subject of another trade bill coming before us, I want people to know I strongly support what we have had since 1963, called trade adjustment assistance. It is coming up for reauthorization. It has been an integral part of our trade policy for about 40 years.

We need to update trade adjustment assistance and make it more effective for people whom it is designed to serve.

Finally, I would like to say a few words about the Andean trade bill. That is the bill which the cloture motion we are debating is on.

The Andean trade bill will enable the United States to constructively engage with our Latin American neighbors at a time when many of them face enormous economic and political challenges. There is political instability and the social instability in some of those countries because they face severe economic challenges. There are more people with less growth and fewer material goods for the people. What the Andean pact comes down to is that we need—and the Andean nations need—a trade policy that will positively affect trade between our countries.

Where I come from—the little town of New Hartford, IA—when your neighbor down the road has an emergency, or needs a hand, in that Midwestern spirit we reach out to help. The United States pretty much has adopted the same policy as part of our responsibility of world leadership since World War II. It happens all over America. Neighbors help and support each other.

When our Andean neighbors—Colombia, Peru, Bolivia, and Ecuador—found themselves under siege by narco-terrorists, we reached out to help these hemispheric neighbors. Through the Andean Trade Preference Act, we designed a plan that is based on trade—not aid—following the advice of President Kennedy 40 years ago that focuses upon people's self-help. That is what trade is all about. Aid is all about doing something for somebody instead of helping themselves. But trade is about helping people to help themselves so they eventually develop to a point—such as Korea, Japan, Taiwan, and Thailand have in the last 40 years—where they don't need our help.

The Andean pact uses trade to promote economic development through a diversified export base as an alternative to the allure of the drug trade. I also support the Andean trade bill because it recognizes that trade and prosperity go hand in hand. Trade is not just for rich countries such as the United States, it is also for countries that aspire to be rich.

What country looking at the United States wouldn't like to have the prosperity the United States has developed in the last hundred years and become the richest nation in the world? Countries want better and more secure lives for their people. Countries want better health care, better education, and a better future for their children.

Through the Andean Trade Preference Act and complementary trading initiatives, such as the free trade areas of the Americas, we can help achieve a new era of hemispheric economic cooperation that will not only benefit those countries to the south of us but it will benefit us as well. The Andean nations know that trade—not aid—is the best way to overcome the fragmentation of Latin American economies and build self-sustaining growth that nourishes democratic institutions.

The United States must get off the sidelines. We need to get back into the middle of the negotiating circle and back into our customary role as leader of the world economy in trade, as we have been generally since at least 1947. But we haven't been there in the last few years. The rest of the world is not going to stand around and wait for us. They are negotiating over 100 agreements, and we have negotiated 3.

The longer we wait, without credibility at the negotiating table, the more harm will be done to our political and economic interests. By not leading the world, we are not going to help the world economy grow as large as that world economy can grow.

It is very important to get this debate started. To get this debate started, we have to have a yes vote on cloture on this bill so we can overcome a few Members of the Senate who believe the United States ought to be more parochial and a little more isolated. That is not a place where America has been since 1947.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, I rise today to express my support for the Andean Trade Preference Expansion Act and the cloture vote on the motion to proceed.

However, I believe the Senate should move forward on this important piece of legislation separately from consideration of Trade Promotion Authority.

I believe it is essential for the people of Ecuador, Colombia, Peru, and Bolivia and the people of the United States that the Senate expeditiously debate and act on the Andean Trade Preference Expansion Act on its own.

The original Andean Trade Preference Act was designed to discourage illicit drug production and help partici-

pating countries develop a broader export base.

The results over the past decade have been very encouraging. The Andean Trade Preference Act has generated \$3.2 billion in new output and \$1.7 billion in new exports to the United States. Export diversification has resulted in the creation of 140,000 jobs in the region.

The excellent cooperation of participating countries with the United States in the fight against narcotics production and trafficking has resulted in significant gains. For example, coca cultivation in Bolivia has fallen by 68 percent and in Peru by 74 percent.

Unfortunately, we have not seen similar progress in Colombia, but this is due more to political instability and the continuing struggle against narcoterrorism. I am hopeful that these difficult issues can be resolved and that Colombia will enjoy the full benefits of this bill.

Just as important, the Andean Trade Preference Act has given hope to the people of the region for a better tomorrow and has shown them that the journey from poverty to economic prosperity need not begin with the cultivation of illicit narcotics.

Nevertheless, despite these success stories, the Andean Trade Preference Act expired on December 4, 2001 and the 90-day suspension of import duties on eligible products issued by President Bush is set to expire on May 16.

The House passed its own version of the Andean Trade Preference Expansion Act on November 16, 2001. That bill has now come to the Senate floor and will be amended to include Trade Promotion Authority legislation. I am concerned that this will slow passage of the underlying bill.

If the United States continues to delay passage of the Andean Trade Preference Expansion Act, the participating countries will be put in a vulnerable position and could face devastating consequences. They will deal with increased narcotics production and trafficking, and the gains of the past ten years will be lost.

In addition, in a recent meeting, the ambassadors of Colombia, Ecuador, and Peru indicated to me that inaction on this bill would result in the loss of tens of thousands of jobs. The hopes of hard working families will be shattered.

Finally, Bolivia, Ecuador, and Colombia all face presidential elections this year, and the lack of closer trade ties with the United States could impede continued growth of democracy in the region.

The resulting weakness of the central governments will only serve to re-enforce the strength of drug lords and their armies and destabilize the region even further.

We should also be concerned about our own economy and export growth. Between 1991 and 1999, U.S. exports to the Andean region increased by 65 percent. The United States is the largest source of imports for each of the participating countries.

The gains from an expanded Andean Trade Act, strengthened democracies and stronger, more vibrant economies, will encourage even more U.S. investment and exports to the region, creating more jobs at home and fostering greater economic growth.

My home State of California, the fifth largest economic engine in the world and a leader in global commerce, will greatly benefit from increased prosperity and political stability in the Andean region.

If we do not act, U.S. credibility and leadership in the region will suffer and future efforts to expand trade in Central and South America will be met with skepticism and resistance.

#### CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The legislative clerk read as follows:

#### CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to Calendar No. 295, H.R. 3009, the Andean Trade Preference Act:

Max Baucus, Zell Miller, Harry Reid, Tom Carper, Joseph Lieberman, Bob Graham, John Breaux, Blanche L. Lincoln, Ron Wyden, Dianne Feinstein, Ben Nelson, Trent Lott, Charles Grassley, Orrin G. Hatch, Jon Kyl, Rick Santorum, Pat Roberts.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the motion to proceed to H.R. 3009, an act to extend the Andean Trade Preference Act, to grant additional trade benefits under that act, and for other purposes, shall be brought to a close?

The yeas and nays are required under the rule. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Missouri (Mrs. CARNAHAN), the Senator from New Jersey (Mr. CORZINE), the Senator from Connecticut (Mr. DODD), the Senator from New York (Mr. SCHUMER), and the Senator from New Jersey (Mr. TORRICELLI) are necessarily absent.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Idaho (Mr. CRAIG), the Senator from New Mexico (Mr. DOMENICI), the Senator from Arkansas (Mr. HUTCHINSON), and the Senator from Alaska (Mr. MURKOWSKI), are necessarily absent.

I further announce that if present and voting the Senator from North Carolina (Mr. HELMS) would vote "no."

The PRESIDING OFFICER (Mr. REED). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 69, nays 21, as follows:



[Rollcall Vote No. 97 Leg.]

## YEAS—69

Akaka	Durbin	Lieberman
Allard	Edwards	Lincoln
Baucus	Ensign	Lott
Bayh	Enzi	Lugar
Bennett	Feinstein	McCain
Biden	Fitzgerald	McConnell
Bingaman	Frist	Miller
Bond	Graham	Murray
Boxer	Gramm	Nelson (FL)
Breaux	Grassley	Nelson (NE)
Brownback	Gregg	Nickles
Campbell	Hagel	Reid
Cantwell	Harkin	Roberts
Carper	Hatch	Santorum
Chafee	Hutchison	Smith (NH)
Cleland	Inhofe	Smith (OR)
Clinton	Jeffords	Specter
Cochran	Johnson	Stabenow
Collins	Kerry	Stevens
Conrad	Kohl	Thomas
Crapo	Kyl	Thompson
Daschle	Landrieu	Voinovich
DeWine	Leahy	Wyden

## NAYS—21

Allen	Hollings	Sarbanes
Bunning	Inouye	Sessions
Burns	Kennedy	Shelby
Byrd	Levin	Snowe
Dayton	Mikulski	Thurmond
Dorgan	Reed	Warner
Feingold	Rockefeller	Wellstone

## NOT VOTING—10

Carnahan	Domenici	Schumer
Corzine	Helms	Torricelli
Craig	Hutchinson	
Dodd	Murkowski	

The PRESIDING OFFICER. On this vote, the yeas are 69, the nays are 21. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

The Senator from Massachusetts.

## STUDENT LOAN PROGRAM

Mr. KENNEDY. Mr. President, I am sure that when all of our colleagues travel back to their States and meet with parents and families, they are being asked about the increased cost of tuition at the universities and colleges across the country.

I know that is true in my own State of Massachusetts. The average fees at the University of Massachusetts, one of our fine universities, are going up in excess of \$1,000 for this next year.

Quite frankly, in my part of the country, families are really concerned about the economic conditions. I know the economic indicators, the GDP indicators, are showing some improvement. Clearly, the unemployment figures are not reflecting the real situations of many Americans in many parts of the Nation. So many Americans are facing lay-offs and those that are finding new jobs are often taking pay cuts. As many states cut their higher education budgets, people are wondering how they are going to afford the increases in tuition.

Many of those attending school and recent graduates were very perplexed to read the story in the New York Times over the weekend that says: "Bush seeking to squeeze school loan program."

The student loan programs offer low-interest loans to full-time students. These programs are available to low

and middle-income families. I have an AP story that says:

The White House has suggested \$5.2 billion savings from Federal student loan programs. The White House Budget Director Mitch Daniels proposed the savings to the House Speaker DENNIS HASTERT last week. Among Daniels's proposed savings is to require college students and graduates who wish to consolidate their Government-backed education loans to use variable interest rates, a change from the current program.

I want to share with the Senate what has happened in my own State, and it is replicated across the country. Just last year, we had some 36,000 families consolidate their loans, taking advantage of the lower fixed interest rates. It amounts to \$1 billion. The average loan in my State is \$29,000. Let me be very clear, Mr. President. If the proposal that is reported in the New York Times goes into effect, it will mean \$3,000 more for every \$10,000 a person owes to the guaranteed loan program—\$3,000; \$10,000 over a 30-year period. That is \$10,000 additional over a 10-year period if that student owes \$30,000.

In my State of Massachusetts, the average consolidated loan is \$29,000. To do what? According to Mr. Daniels, for the next year, it will mean \$1.3 billion in savings to the administration evidently so they can use it for the tax cut program for wealthy individuals. Talk about a financial transfer. This administration is going to balance its books at the expense of students. They are talking about \$1.3 billion from students and middle-income families who will have to pay a variable rate on consolidated loans, instead of taking advantage of the lower fixed interest rates at the present time. This is an effort to effectively fix the system so that students and their families will pay more so this administration can afford more in tax cuts.

Families pay what they can afford in tuition for their children to go to school, and depend on the federal loan programs for the remainder of the tuition. When it comes time to help repay those student loans, they will have to pay higher interest rates, and they ask why. Hard working families should get the best deal on interest rate that is available.

The New York Times article goes on:

"The Bush administration is seeking to ease its budget by squeezing \$1.3 billion from the Federal student loan program," administration and congressional officials say today.

Whether it is the \$1.3 billion as in the New York Times or the \$5 billion, what they are basically saying is the students and middle-income families are going to have to pay a good deal more rather than taking advantage of the lowest interest rates.

That is poor education policy. It is grossly unfair to middle-income families, and it is clearly not in the national interest. Our national interest ought to be to encourage the best and the brightest to complete their education, to be involved in the communities of this country, and contribute to our Nation's democratic values and its economic values.

How can the administration make that kind of request to the Congress? Mr. President, I just want to make it very clear, as far as our committee goes, I can say without fear of any contradiction, this suggestion will not pass.

The last time we faced this type of proposal was in 1981 under President Reagan who suggested an origination fee which was an additional burden on students and their families who were taking out student loans. We were unsuccessful in stopping that fee, and I believe we will succeed in rejecting the elimination of the fixed rate consolidation loans. But I tell my colleagues, how in the world can you believe this administration is putting education first when it is trying to shortchange the students of this country in an unfair and, I think, unwise way?

Mr. SARBANES. Will the Senator yield for a question?

Mr. KENNEDY. I will be glad to yield.

Mr. SARBANES. I must say, when I saw that article, the first thing I thought to myself was: They must have figured out some sort of unique way to achieve some savings in the college loan program which will not affect the beneficiaries of the program. It never occurred to me until I read the article, to which the Senator has referred, that they were intending to take this money right out of the hide of the beneficiaries.

As I understand it, we have had this program where people can consolidate their loans and lock them into place with a fixed interest rate. That has helped, as I understand it, to significantly reduce the default rate on college loans, if I am not mistaken.

I think 10 years ago we had a default rate at about 22 percent, and now we have cut that rate to, what, about 5 percent?

Mr. KENNEDY. Five point six percent.

Mr. SARBANES. Five point six percent.

Mr. KENNEDY. Under the Clinton administration.

Mr. SARBANES. That is one of the benefits of providing a rational framework for students and their families to address these college loans.

First of all, we have to understand these students are taking on a tremendous burden as they move through college in order to get a college education. There are many people who argue we are not doing enough to help lift that burden. But the notion that we should now add to it in this significant manner that the head of the OMB is talking about I find outrageous.

How are these people going to afford this college education?

We have set up a system which seems to be working pretty well. If anything, we ought to provide more assistance, not less. I certainly commend the Senator for taking to the floor to underscore this problem. I gather they want